

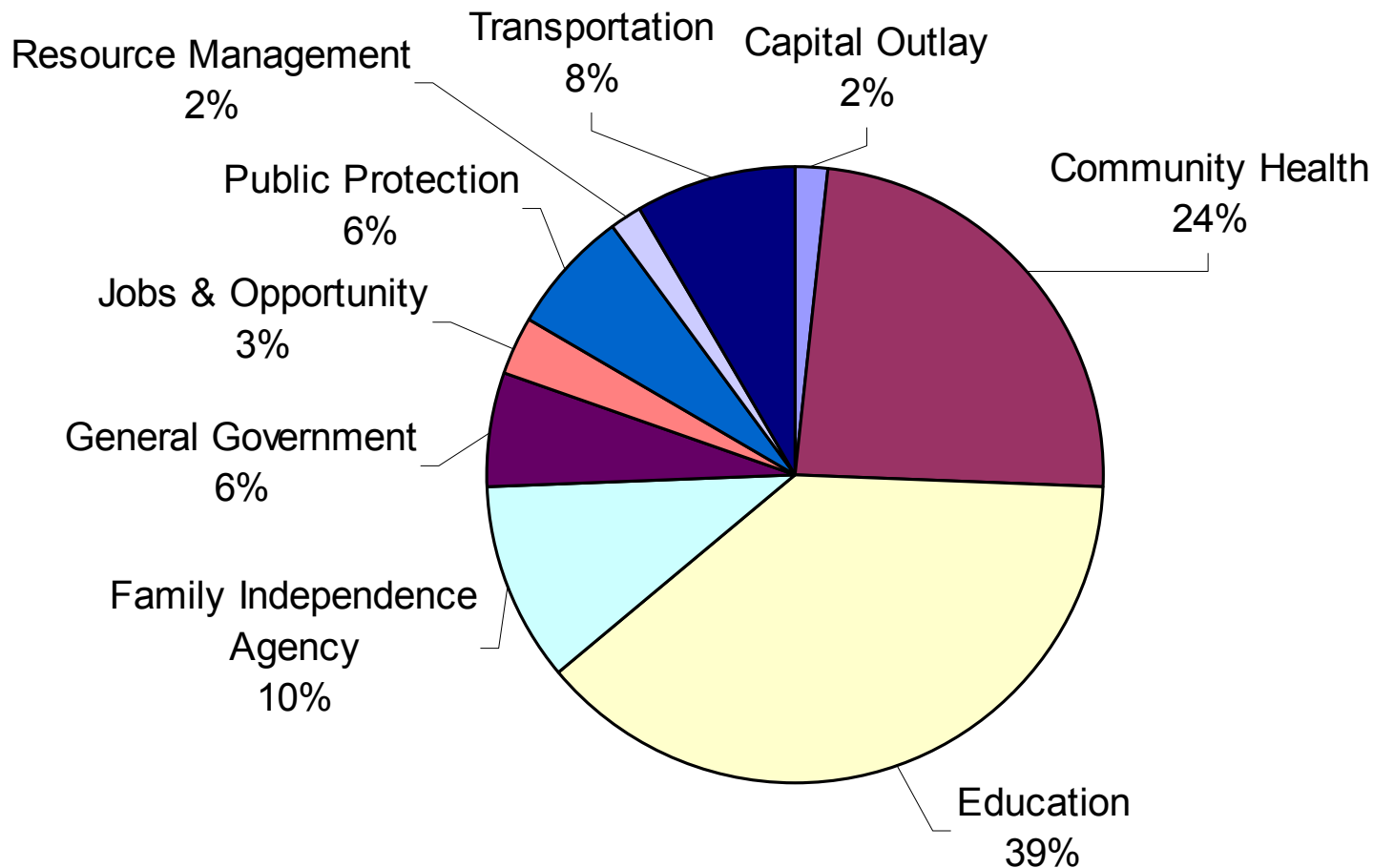
# Fiscal Year 2004 Executive Budget



Jennifer M. Granholm, Governor

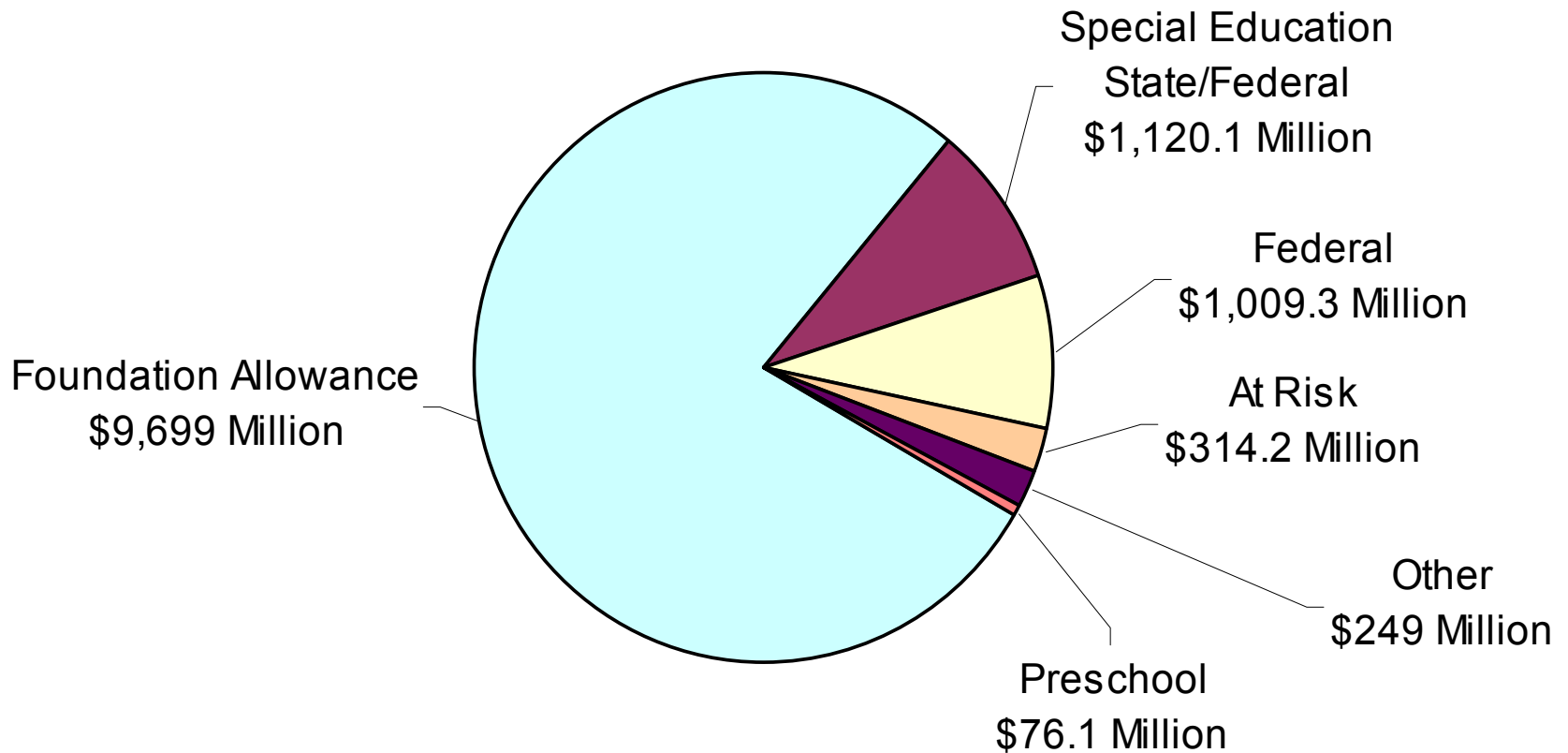
Mary A. Lannoye, State Budget Director

# Total Expenditures Fiscal Year 2004



# Fiscal Year 2004 State School Aid Executive Recommendation

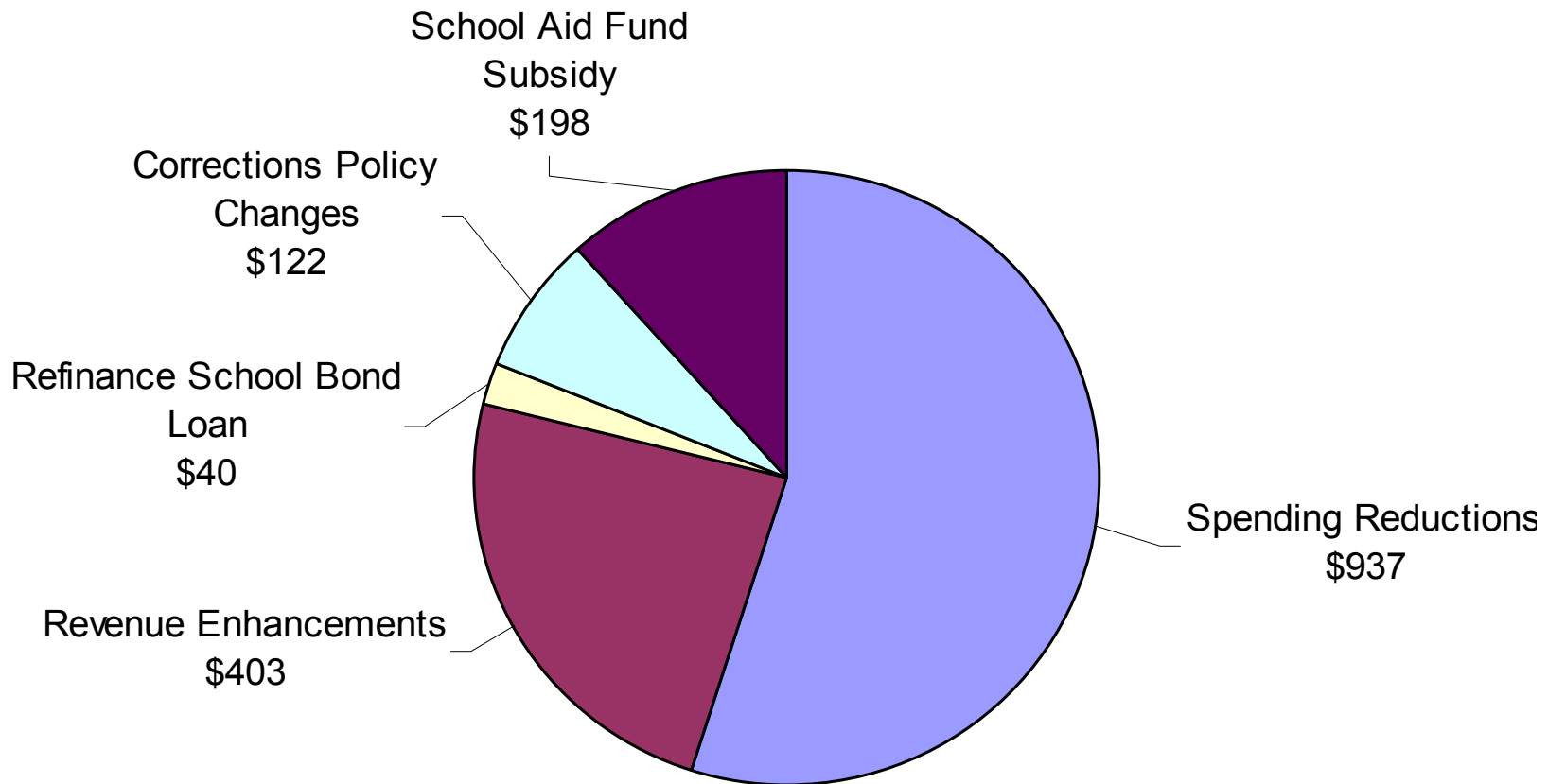
**\$12.4 Billion**



# Fiscal Year 2004 Funding Gap

<b>Fiscal Year 2004 Funding Gap</b>	<b>(\$ in millions)</b>
FY 04 GF Consensus Revenue Estimate	\$8,191.5
FY 03 Enacted Appropriations—Post EO 2003-3	<u>\$8,792.9</u>
Revenue Gap	\$601.4
<b>Unavoidable Spending Increases</b>	
Medicaid	\$535.0
Corrections Bed Space Needs & Health Care	\$150.0
Employee Economics	\$140.0
Debt Payments	\$111.0
Other	<u>\$30.0</u>
Subtotal Unavoidable Spending	\$966.0
<b>TOTAL FY 04 Current Funding Gap</b>	\$1,567.4
Executive Order 2003-3	\$133.0
<b>FY 04 Funding Gap Prior to EO 2003-3</b>	\$1,700.4

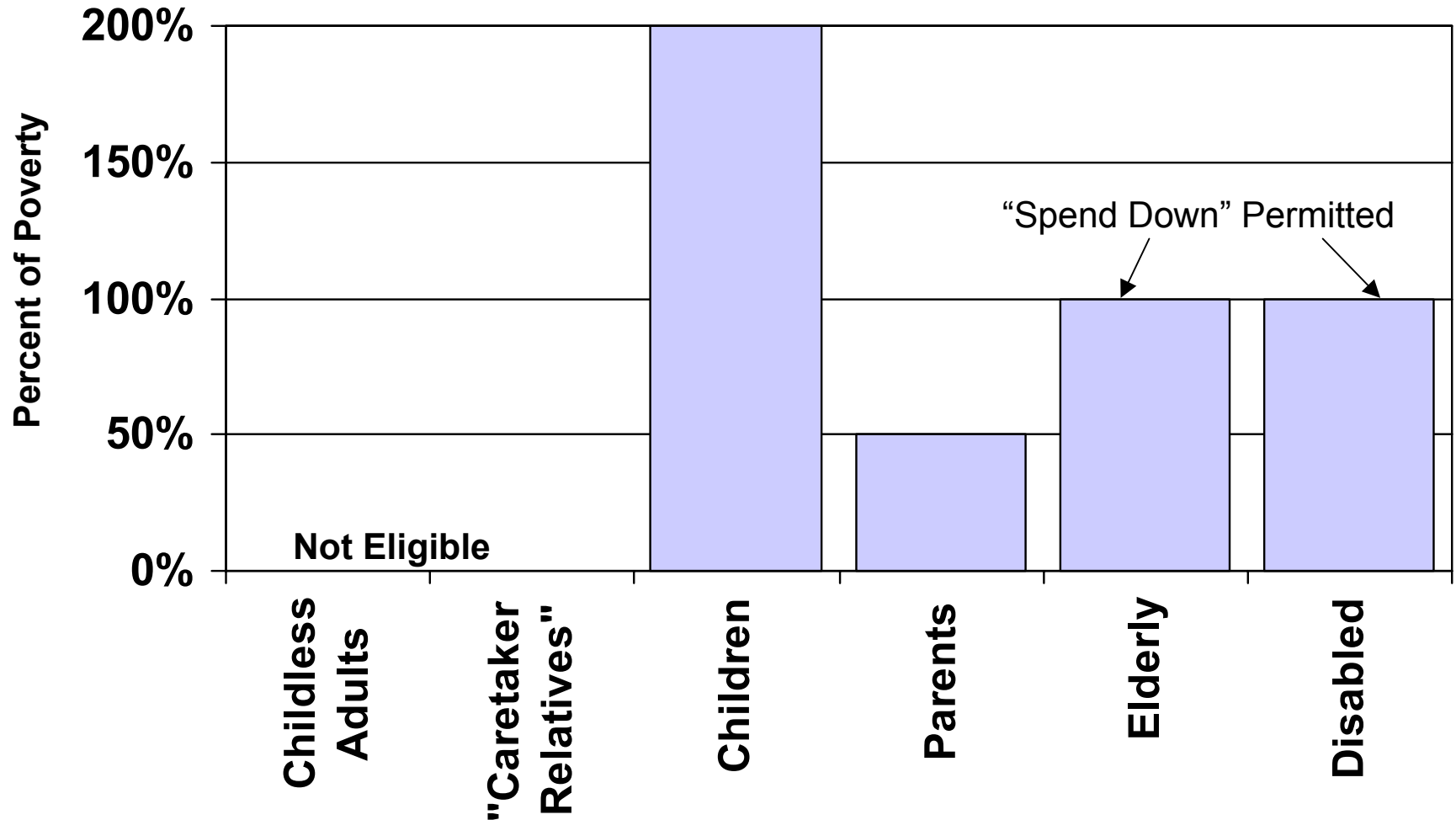
# A Mix of Budget Solutions Solve FY 2004 Problem (In Millions)



# FY 2004 Spending Reductions

Spending Reductions	(\$ in millions)
Medicaid Waiver Savings	\$110
Medicaid – Other Savings	\$64
Higher Education – 6.5% Cut – After EO 2003-3	\$154
Revenue Sharing – Capture Growth	\$72
Revenue Sharing – 3% Cut	\$44
Grant Reductions	\$61
Administrative Savings – Includes Employee Concessions	\$217
Funding Shifts	\$119
Merit Award Reduction	\$61
Life Sciences Corridor Reduction	\$35
<b>TOTAL</b>	<b>\$937</b>

# Medicaid Current Eligibility



# Proposed Eligibility and Benefits

